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IN THE

Supreme Court of the United States

OCTOBER TERM, 1962.

No. 343

AKSHUN MANUFACTURING COMPANY, A CORPORATION, AND KENT INDUSTRIES, INC., A CORPORATION,
Petitioners,

vs.

NORTH STAR ICE EQUIPMENT COMPANY,
Respondent.

BRIEF IN OPPOSITION TO PETITION FOR CERTIORARI.

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To The Honorable Chief Justice and the Associate Justices of The Supreme Court of the United States:

OPINIONS BELOW.

The findings of fact and conclusions of law set out in petitioners' Appendix "A" were entered by the United States District Court for the Northern District of Illinois on March 31, 1961, and the judgment order was signed on April 25, 1961. The District Court's decision held Albright patent 2,683,357 to be invalid and not infringed and held Lees patent 2,659,212 to be valid and infringed. The unanimous opinion of the United States Court of Appeals

for the Seventh Circuit (301 Fed. 2d 882) affirmed the holding of invalidity of patent 2,683,357 and reversed that part of the District Court judgment which held claims 1-8 of patent 2,659,212 to be infringed.

JURISDICTION.

The jurisdictional requisites are adequately presented in the Petition.

QUESTIONS PRESENTED.

The questions of petitioners do not present an adequate legal analysis of the decision by the Court of Appeals for the Seventh Circuit. The appeal before the Court of Appeals was determined by affirmative answers to the following questions:

1. Is the Court of Appeals correct in concluding that patent claims (Patent No. 2,659,212), found by the District Court to be specifically limited to a two-part knife performing a two-step function, cannot be expanded to encompass a one-part knife performing a one-step function?

2. Is the Court of Appeals correct in concluding that patent claims (Patent No. 2,659,212), found by the District Court to be specifically and intentionally limited by the patentee in the Patent Office to a two-part knife performing a two-step function to avoid earlier prior art patents cited by the Patent Office, cannot now be expanded to reclaim that which was abandoned in the Patent Office, namely, a one-part knife performing a one-step function?

Petitioners' question numbered (2), relating to "subservient fact issues which were not expressly included in the trial court's findings of fact", does not present an issue which, even if answered favorably for Petitioners, would change the decision of the Court of Appeals.

Petitioners' question numbered (3) is an exercise in se-

mantics and is without substance. Petitioner is referring to Albright Patent No. 2,683,357 which was held to be invalid by both the District Court and the Court of Appeals. Petitioners do not argue herein that the decisions of invalidity are not correct.

STATEMENT OF THE CASE.

The Court of Appeals for the Seventh Circuit accepted the findings of the District Court which outlined in detail the scope and limitations of the Lees Patent No. 2,659,212. (District Court findings 7, 8, 8 second occurrence, 9, 10 and 11, Petitioners' Appendix at pages A-2 through A-4; Court of Appeals decision, Petitioners' Appendix at pages B-3 and B-4.) The conclusions of the District Court (finding 11) and the Court of Appeals (Petitioners' Appendix, page B-4) were substantially identical, that is, that "All claims in the patent have as a limitation a knife having the two physically distinct parts serving their separate functions." (Printed Record, page 272.)

The patented ice-removal blade had a first part sloping outwardly toward the ice-drum wall so as to gradually score and indent a groove in the ice. The distinct second part of the blade trailed and worked in the groove to push downwardly on the ice to break it free from the drum wall.

The Court of Appeals also agreed with the District Court's second finding No. 8* which stated (Printed Record, page 271):

> "On July 19, 1951, as shown by the file wrapper, Lees added a new claim 13 to his application for patent 2,659,212. Claim 13 was broader than the original claims in that it *omitted the leading part of the blade* and its scoring or groove-forming function. Claim 13 claimed only the trailing part of the knife which is

* The District Court numbered two separate findings "8", see Petitioners appendix page A-3.

at an angle to the direction of movement of the knives, and would, had it been allowed, read on wedge-type *one-part ice removal tools.*" (Emphasis added.)

The opinions of the District Court and of the Court of Appeals both disclose that this claim was abandoned by the patentee in the Patent Office, and thereafter the claims which were allowed by the Patent Office were specifically limited to *two-part ice removal knives* and to a *two-step method* or function performed by such knives. (Plaintiff's Exhibit 4, file wrapper of Lees Patent No. 2,659,212, Printed Record, pages 212-253.)

After accepting the findings of the District Court upon these basic factual issues, the Court of Appeals examined the accused ice removal tool (Plaintiff's physical Exhibit 21 referred to in the District Court finding No. 12, Petitioners' Appendix page A-4) and the documentary evidence descriptive of the structure and function of the tool to determine whether this tool had the structural and functional attributes of the knives defined in the limited claims of Patent No. 2,659,212.

The Court of Appeals determined that Plaintiff's physical Exhibit 21 was a *one-part tool* which performed a *one-step function.* (Petitioners' Appendix, B-5, B-6.) The North Star tool was therefore not embraced by the claims of Patent No. 2,659,212; in fact, the tool was specifically of that type which Petitioners had abandoned and excluded from its patent. (Petitioners' Appendix, B-6, B-7.)

Petitioners' statement (page 4) erroneously alludes to extensive expert testimony at trial directed to the alleged infringing operation of Plaintiff's physical Exhibit 21. The two witnesses, Lees and Watkins, to whom Petitioners refer had never seen blades of the type of Plaintiff's Exhibit 21 prior to trial. The first time the witness Leos saw the type

of blade illustrated by Plaintiff's Exhibit 21 was "Here in court." (Printed Record 160, 161.)

The witness Watkins was asked if he had observed the operation of blades like the accused infringing tool (Plaintiff's Exhibit 21) and he confessed, "No, I have not. I don't dare to say that I have. I have seen ice machines, but I have not paid any attention whatsoever to the blades. It hasn't been my job to get in there and look." (Printed Record, page 202.)

Petitioners' inference in its petition (pages 3 and 4) that the trial was of 10 days duration and that 700 pages of the record were devoted to the issue of infringement is not correct. The trial of the case in the District Court transpired on portions of the days, June 21, 22, 23, 24 and 27, 1960. (Printed Record, page 1.) The approximately 700 pages represent the entire transcript of record which included testimony concerning the issues that Lees was not in fact the inventor, the prior art references, the Patent Office prosecution, file wrapper estoppel, unfair competition and other issues relating to Albright Patent No. 2,683,357.

Petitioners are essentially dealing in semantics. Although the Court of Appeals for the Seventh Circuit clearly explained why the District Court decision was erroneous, Petitioners take refuge in the fact that the Court of Appeals did not expressly use the words "clearly erroneous." This is the whole basis of Petitioner's argument.

Petitioners know that great portions of their Appeal Brief and of their oral argument before the Court of Appeals were devoted to the application of Rule 52a to the issue of infringement. The Court of Appeals applied the correct criterion of law to the facts as found by the

District Court and reversed the lower court decision on infringement.

Petitioners object to the reversal of the lower court holding of unclean hands. The only basis for the holding was that North Star had appropriated the invention of the patent in suit. The Court of Appeals correctly held that the Respondent's ice removal tool did not use or appropriate the invention, which holding of necessity disposed of this issue.

ARGUMENT.

The present case is the usual and ordinary type of patent infringement suit. The case presents no issue of public interest or public importance which should induce this court to grant the petition. The controversy is between a patent holding company and a manufacturer. The patents involved have not been litigated in any other circuit.

STANDARD OF APPELLATE REVIEW CORRECTLY APPLIED.

The Court of Appeals applied the correct standard of appellate review to the findings of the District Court in accordance with the principles of *Graver Tank & Mfg. Company* v. *Linde Air Products Company*, 336 U. S. 271 (1949); 339 U. S. 605 (1950), and other cases of this court, specifically, *United States* v. *Oregon State Medical Society*, 343 U. S. 326 (1952); *United States* v. *Yellow Cab Company*, 338 U. S. 338 (1949); *United States* v. *United States Gypsum Company*, 333 U. S. 364 (1948). Even the Petitioners' argument asserts only a "probable conflict" with the *Graver* case. The fact is that there is no conflict.

Petitioners know that the Court of Appeals for the Seventh Circuit is particularly aware of the applicability of F. R. C. P. 52a to patent cases. Perhaps no other Court of Appeals has gone into the matter more carefully and thoroughly in following the mandates of the Supreme Court. Very recently the Court of Appeals for the Seventh Circuit sat *en banc* to consider the proper standard of appellate review as related to Rule 52a. (*Armour & Co.* v. *Wilson & Co.*, 274 Fed. 2d 143, 1960.) This case is in

harmony with the decisions of this Court; in fact, it shows the extreme care that the Court of Appeals for the Seventh Circuit attaches to its review of District Court findings.

DISTRICT COURT FINDINGS—PATENT 2,659,212.

The Court of Appeals accepted the findings of the District Court defining the scope and limitations of claims of Patent No. 2,659,212. It accepted the finding (No. 8, second occurrence) that the patentee unsuccessfully attempted during prosecution in the Patent Office to obtain a broader claim which would embrace and encompass the accused device. It noted, as did the District Court, that this broader claim was abandoned in the Patent Office by the patentee.

The Court of Appeals then examined the accused North Star ice removal tool to determine whether or not it contained the structure set out in the District Court findings which defined the scope and limitations of the claims of Patent No. 2,659,212. The Court stated (Petitioners' Appendix, B-5):

> "We have before us Plaintiff's Exhibit 21, a physical exhibit which illustrates the North Star ice-removal knives or tools. There is no leading portion to form or indent a groove in the ice sheet preparatory to and preceding the engagement of the inclined surface with the ice sheet. Instead, there is a simple flat surface sweeping the ice downwardly. Since all portions of the ice-attacking inclined plane extend into the sheet of ice for substantially 95% of the ice thickness, the tool has no portion performing the groove-forming function of the claims of the Lees patent in suit."
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> • • • • •
>
> "It is the 'first part' recited in each part of the claims of the patent in suit that is completely missing from the North Star tools."

Thus, the accused device did not contain the structure set out in the plain language of the patent claims. The only question remaining was whether the claims were entitled to be broadened by interpretation.

FILE WRAPPER ESTOPPEL.

The Court of Appeals then examined the prosecution history of Patent No. 2,659,212 in the Patent Office (Plaintiff's Exhibit 4, Printed Record 212-253) to determine whether or not the patentee was estopped *by his actions* in the Patent Office in abandoning the one-part blade claim, to broaden the patent claims to encompass the structure of the accused ice removal tools. The Court of Appeals unanimously found, as did the District Court, that each of the claims of the patent in suit was specifically limited to a two-part knife performing a two-step function; and that the patentee had abandoned claim 13 of the patent application which was directed to a one-part tool of the North Star type.

These findings of the District Court, adhered to by the Court of Appeals, compelled the Court of Appeals *as a matter of law* to the conclusion that there was no infringement. The Court of Appeals quoted this Court's decision in *Weber Electric Co.* v. *E. H. Freeman Electric Co.*, 256 U. S. 668 (1921), at pages 677-678:

> "Having thus narrowed his claim against rotary movement in order to obtain a patent, the patentee may not by construction, or by resort to the doctrine of equivalents, give to the claim the larger scope which it might have had without the amendments, which amount to a disclaimer of rotation as an operative feature of his device."

This rule of law was reiterated in *Exhibit Supply Co.* v. *Ace Patents Corp.*, 315 U. S. 126 (1942) wherein this Court stated at page 136:

> "Whatever may be the appropriate scope and application of the doctrine of equivalents, where a claim is allowed without a restrictive amendment, it has long been settled that recourse may not be had to that doctrine to recapture claims which the patentee has surrendered by amendment."

See also, *Hubbell* v. *United States*, 179 U. S. 77, 80 (1900); *I. T. S. Rubber Co.* v. *Essex Rubber Co.*, 272 U. S. 429, 433 (1926).

CONCLUSION.

The Court of Appeals for the Seventh Circuit applied the proper standard of appellate review to the findings of the District Court. The Court of Appeals accepted the findings of the District Court which set up the file wrapper estoppel. The accused physical exhibit No. 21 was observed to be the type of structure abandoned by the patentee in the Patent Office so that the application of the law of file wrapper estoppel compelled a reversal of the lower court finding of infringement. The Petition should be denied.

September 14, 1962.

Respectfully submitted,

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